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09/553,068	04/20/2000	Christopher Phillips	04814.P017	5825

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SCHWABE, WILLIAMSON & WYATT, P.C.  
PACWEST CENTER, SUITES 1600-1900  
1211 SW FIFTH AVENUE  
PORTLAND, OR 97204

EXAMINER

PATEL, JAGDISH

ART UNIT	PAPER NUMBER
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3624

DATE MAILED: 08/26/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

## Office Action Summary

Application No.

09/553,068

Applicant(s)

PHILLIPS ET AL.

Examiner

JAGDISH PATEL

Art Unit

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 12 May 2004.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-4, 6-32 and 35-52 is/are pending in the application.
- 4a) Of the above claim(s) 26-32 and 35-42 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-4, 6-32 and 35-52 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

## **DETAILED ACTION**

### ***Election/Restrictions***

1. Applicant's election with traverse of restriction of claims to one of the inventions of groups I-III in the reply filed on 5/12/2004 is acknowledged. The traversal is on the ground(s) that the inventions identified in Groups I-III are directed towards the same invention. This is not found persuasive because the applicant has not specifically responded to the detailed explanation provided by the examiner as to why each group is considered distinct from the others. In particular, in the prior office action distinct features of each invention were outlined, each distinct feature rendering the respective group of invention as a separate sub combination as having a separate utility over the other groups. The applicant has merely alleged that all groups are directed to same invention without any rebuttal of the examiner's reasoning which render each group of claims as being directed to distinct inventions.

The requirement is still deemed proper and is therefore made FINAL.

Accordingly, claims 1-4, 6-25 and 43-52 are being examined and remaining claims 26-32 and 35-42 and 53-60 have been withdrawn from consideration.

2. This office action is based on new grounds of rejections and therefore a non-final office action.

### ***Claim Objections***

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3. Claims 1, 9 are objected to because of the following minor informalities: in claim 1: "said second web site" should read "a second web site ". Appropriate correction is required. In claim 9 at line 9 "said firsts" should read "first".

***Claim Rejections - 35 USC § 101***

4. **Claims 1-4, 6, 8, 10-13 and 20-25 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

5. **Claims not recited within technological art.**

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

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Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g.,

English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, Claims 1-4, 6, 8, 10-13 and 20-25 have no connection to the technological arts. None of the steps indicate any connection to a computer or technology. Example: claim recites process steps “..providing a first billing data..” and “..providing a second billing data..” . Although the intended use for the first and the second billing data is to conduct transaction with a and a second web site, the steps of providing of billing data is not recited as being preformed with any technological implement. Broadly interpreted providing of data is a manual communication of the billing data (for example, delivering credit card numbers in a postal mail to the user). Therefore, claim 1 is rendered outside the technological art and therefore is rendered non statutory under 35 U.S.C. §101 guidelines. Dependent claims 2-4, 6, 8, 10-13 and 20-25 are similarly analyzed as being non-statutory under 35 U.S.C. §101.

**6. Claims do not produce “useful, concrete and tangible” result (claims 2-4, 6, 8, 10-13 and 20-25)**

Another requirement for a claimed invention to be statutory under 35 U.S.C. §101 is that the claimed invention must be directed to a useful concrete and tangible result.

State Street Bank v. Signature Financial Group, 47 USPQ2d 1596 (Fed. Cir. 1998)

If a computer related invention produces a concrete and useful result, it is patentable subject matter, provided that other conditions for patentability are satisfied.

However, in the instant case claim 1 fails to produce such a result, which meet this requirement. The claimed invention merely recites an entity such as a billing service provider providing a first and a second billing data intended for

conducting transactions with a predefined web pages (such as merchant websites). This claimed invention merely recites an abstract idea without any concrete, useful and tangible result produced as a result of the providing of the first and the second billing data. The claimed invention is therefore analyzed as non-statutory under 35 U.S.C. §101.

Dependent claims 2-4, 6, 8, 10-13 and 20-25 are analyzed similarly as being non-statutory under 35 U.S.C. §101.

***Claim Rejections - 35 USC § 112***

**7. Claims 7-9 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.**

8. Claims 7-8 are rejected under 35 U.S.C. 112, second paragraph, as being incomplete for omitting essential structural cooperative relationships of elements, such omission amounting to a gap between the necessary structural connections. See MPEP § 2172.01. The omitted structural cooperative relationships are: functional relationship of claim 7 limitation "billing the user according to a private data different from said first billing data" has no functional relationship to the limitation "paying for a transaction with said first web site according to said first payment format". Additional deficiency of the claim is that no communication of first billing data is communicated to the web site (presumably of a billing entity) and that the billing the user is responsive to such communication.

Claim 8 contains similar deficiency as claim 7.



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8. claim 9 further recites and further limits "the user conducting transaction with the first web site" at line 3. There is insufficient antecedent basis for this limitation in the claim. Note that claim 1 only recites the process step of "providing a first billing data" which recited as being only intended to conduct transactions with a first web site.

### ***Claim Rejections - 35 USC § 102***

9. Claims 1-4, 6-11, 17-25 and 43-52 are rejected under 35 U.S.C. 102(e) as being clearly anticipated by Breck et al (US Pub. No.: 2004/0158532) (Breck) (Priority March 7, 2000)

Claim 1: Breck discloses a method comprising:  
registering a user with a first web site;

a billing service providing a first billing data for exclusive use by a user to conduct transactions with a first web site; and

the billing service providing a second billing data, separate and distinct from the first billing data, for exclusive use by a user to conduct transactions with a second web site.

( see [0055] a card provider 3 (FIG. 1) provides a secondary transaction number (STN) 15 to the cardholder 1, the STN provided to the cardholder which provided to the cardholder 1 for exclusive use to conduct transactions with a specified merchant (inherently a website of the merchant since the invention is intended for transacting business transactions over the Internet), since the card provider entity includes any transaction related companies not affiliated with a specific merchant, it is inherent that different secondary transaction numbers may be provided for exclusive use by different merchants or websites, see [0048] and [0056] "use of the STN for a specified merchant only )

Claim 2. the billing service providing the first billing data to the user in advance of the user registering with said first web site.

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(see [0055] STN 15 is provided to the cardholder 1 by the card provider 3 prior to the cardholder performing a purchase transaction with a specified merchant)

Claim 3. Breck recites: billing service providing the first billing data to the user in real time while the user registering with said first web site ([0078] see p. 10 ).

Claim 4. wherein the first billing data comprises a first credit card identifier, and the second billing data comprises a second credit card identifier, separate and distinct from said first credit card identifier ([0053] the STN 15 is a purchasing number that acts as a charge card number and is associated with a PCC 20 account (e.g. a main charge card, debit, credit card or other number..)).

Claim 6. wherein the first billing data corresponds to a selected one of an advance debit charge, a real-time credit charge, or a post-transaction invoicing arrangement, and the second billing data corresponds to a selected one of an advance debit charge, a real-time credit charge, or a post-transaction invoicing arrangement, said second billing data separate and distinct from said first billing data.

(refer to para [0053] and [0054] and discussion of claim 4 above).

Claims 7: said first web site requiring first payment format;

paying for a transaction with said first web site according to said first payment format;

[para [0054] refer to discussion of STN format];

billing the user according to a private billing data different from said first billing data.

[[0017].. However, prior to the accounts receivable processing, the secondary transaction number is replaced with the primary account for cardholder billing. The cardholder's statement may reflect, as desired, the secondary transaction number(s), the primary account number(s), all numbers or any combination of these numbers]

Claims 8 and 9 are similarly analyzed as claim 7.

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Claim 10. The method of claim 1, further comprising:  
the billing service obtaining said first billing data from a financial institution (refer to [0059] the billing data is obtained from the card provider's computer system).

Claim 11. wherein the billing service providing said first and second billing data comprises:  
the billing service selecting said first and second billing data from a plurality of distinct billing data provided to said billing service ( para [0054] ).

Claim 17. The method of claim 1, further comprising:  
the billing receiving a notification of usage of said first billing data with said first web site;  
wherein said notifying allows the billing service to confirm charges to said first billing data by said first web sites.  
([ 0085] refer to description of authorization process).

Claim 18. The method of claim 17, further comprising:  
wherein said notifying of the billing service occurs substantially with providing said first billing data to said first/second web site.  
[refer to para [0078] through [0085]].

Claim 19. The method of claim 17, further comprising:  
wherein said notifying of the billing service occurs after providing of said first billing data to said first web site.

(para [0078] through [0085] refer to online purchase where STN 15 is provided to the cardholder 1, the cardholder 1 then provides the STN to the merchant's web site subsequently the card provider 3 is notified for authorization of the transaction)

Claim 20 and 21 Breck explicitly discloses  
..receiving charges to said first and second billing data; and  
..organizing said received charges based at least in part on whether the charges are applied to the first or the second billing data.

wherein said organizing is based on whether a charge to first second billing data is received from the first web site.  
[ Fig. 12 and para [0097], first and second billing data is indicated as item 15)

Claim 22-24: the billing service disputing all charges to said first billing data not received from said first web site  
(refer to para [0059] and [0096]- [0100] dispute handling).

Claim 25. the first web site is a selected one of a content provider, a service provider and an access provider (refer to [0051]).

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Claim 43. analyzed per method claim 1.

Claim 44. analyzed per method claim 2.

Claim 45. analyzed per method claim 3.

Claim 46. wherein use of said first billing data is restricted to transactions between the user and said first web site. (see claim 1 analysis)

Claim 47. analyzed per method claim 6.

Claim 48. analyzed per method claim 8.

Claim 49. wherein the apparatus is embedded within a host selected from a set of hosts consisting of: a computing device, an electronic card, a telephone, a personal digital assistant (PDA), a portable audio device, a portable audiovisual device, a cellular telephone, a key-chain dongle, and a transportation device.

(para [0040] refer to "any input device..").

Claim 50. The apparatus further comprising a user interface, wherein the programming instructions include further programming instructions, which when executed by the processor, enable the apparatus to:

- receive a plurality of billing data from a billing service;
- provide the plurality of billing data to the user interface;
- request the user to select said first billing data from said plurality of billing data for association with said first web site; and
- request the user to select said second billing data from said plurality of billing data for association with said second web site.

[ para [0056] and [0057])

Claim 51. the programming instructions when executed by the processor, configure the network interface to connect to a billing service (para [0040] ).

Claim 52. wherein the programming instructions, when executed by the processor, enable the apparatus to provide in real time said first/second billing data to an electronic device used by the user (para [0078] refer to online purchase).

***Claim Rejections - 35 USC § 103***

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**10. Claims 12-16 are rejected under 35 U.S.C. 103(a) as being unpatentable over Breck et al (US Pub. No.: 2004/0158532) (Breck) (Priority March 7, 2000) and further in view of Demoff.**

Claim 12. whereas Breck teaches providing first and second billing data as disclosed ( see para [0054] billing data internally provided by their own numbering system), Breck fails to recite that the billing service contacts a financial institution to obtain the plurality of distinct billing data from the financial institution; and receives the plurality of distinct billing data from the financial institution. However, in Breck the billing data is generated within the billing service. The court has held that making separable the parts of a system to obtain same functionality is within one of ordinary skill in the art.

In re Dulberg , 289 F.2d 522, 129 USPQ 348, 349 (CCPA 1961) (The claimed structure, a lipstick holder with a removable cap, was fully met by the prior art except that in the prior art the cap is "press fitted" and therefore not manually removable. The court held that "if it were considered desirable for any reason to obtain access to the end of [the prior art's] holder to which the cap is applied, it would be obvious to make the cap removable for that purpose.").

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to contact a financial institution and receive from the financial institution plurality of billing data because this would only amount to making achieving the same result namely obtaining the plurality of billing data.

Claim 13. refer to claim 12 analysis where financial institution is interpreted as a bank.

Claim 14-16. the billing service pre-obtaining said first billing data from a bank; and during a first transaction with said first web site, the billing service providing said first billing data in real time from the billing service

( refer to para [0078] p.10 in entirety in particular "online purchase") in combination with analysis of claims 12 and 13.

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAGDISH PATEL whose telephone number is (703)308-7837. The examiner can normally be reached on 800AM-600PM M-Th.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (703)308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Jagdish N. Patel

(Primary Examiner, AU 3624)

8/20/04